

Meeting Notes
Tenant Work Group
Tuesday, July 7, 2009
6:30-8:30pm
Executive Conference Room
101 Monroe Street
Rockville, MD 20850

Work Group Members in attendance: Matt Losak (Chair), Rick Nelson, Harrietta Kelly, Chuck Short, Dale Tibbitts, Councilmember Marc Elrich

Via Conference Call: Lesa Hoover, Alice Wilkerson, Maureen Ross, Felicia Eberling

Staff participants: Megan Moriarty, IMPACT Silver Spring; Patrice Cheatham, DHCA; Debbie Spielberg, County Council

Agenda

- Review and approve notes
- Committee work plan reports
- Update on survey
- Public Comment

Notes:

Matt Losak called the meeting to order at 6:30pm.

Guy Johnson reviewed Committee 1's recommendation for issue #3 (Unpredictability of Rent Increases) and Dale Tibbitts reviewed Committee 2's rent stabilization recommendation. Rick Nelson explained that turnover rent increases have stayed under the voluntary rent guidelines for the past six or seven years according to DHCA survey data. He has not seen data that reflects the perception there are significant increases over the County guidelines. Rick explained he doesn't think rent control is conducive to the type of environment he would like to see in the County. He thinks it hampers improvements and maintenance.

Councilmember Marc Elrich explained his proposed legislation to the Council for rent control in the County. He referred to a study by Professor Cohen at UMD of the rental properties in Takoma Park and compared it to that outside of the City. They concluded Takoma Park properties were in better shape than in adjacent areas. Councilmember Elrich does not believe that rent control harms property maintenance and does not understand what alternative there is to rent control. Rental subsidies are more expensive than a rent stabilization program and they would not help every family or individual in need.

Matt also claimed that in other areas of the country where there is rent control, buildings are not in poor shape. The relationship between landlords and tenants should make renters feel secure. The unpredictability of rent lowers the quality of life and increases anxiety for many tenants. Harrietta has seen high rent increases in her neighborhood. Chuck wondered how much of this information being discussed is factual. One critical thing is to

have the pertinent facts so the group can make a balanced decision. There should be a regulated survey.

Lesa Hoover presented the argument against rent stabilization. Free market and property rights are violated with rent control. In the five jurisdictions with rent control, it has not been the solution to the affordable housing issue. Councilmember Elrich replied that the Supreme Court has ruled that rent control is not an infringement of property rights. He wonders whether the provisions in his bill will allow landlords to make money while providing rent stabilization. Lesa will take those questions back to her group and send out a position paper on rent control. The work group agreed to do more research on which jurisdictions have rent control and how well it has worked in those areas.

Debbie Spielberg reviewed the findings and recommendations for Committee 2 on data collection and rent guidelines. The Committee recommending formalizing the DHCA rent survey procedure. The proposed solution would require participation in the survey and have rent data available by unit, with fines associated for incorrect reporting. When a landlord presents a rent to a tenant, they would also have to enter it into an electronic database. Rick questioned whether reporting real data would be cheaper or more worthwhile than the current survey. He also warned against getting too prescriptive in a final work group recommendation for the survey. Chuck agreed that the recommendation should be that reliable, accurate data is need on this issue, but the group does not have to get into the details of legislative language.

Debbie continued Committee 2's report with other issues, including tenant associations. Matt suggested the idea of officially registered tenant associations. The group discussed various forms of registered associations, including the value of required incorporation and technical assistance for tenants wishing to organize into associations.

Committee 2 next discussed the issue of condo conversions. Debbie will update the committee's recommendations to reflect the issues discussed (clarify that DHCA does support renters to buy their units; investigate what other jurisdictions have done on this issue; look at the different processes for buying a unit and buying the building).

Committees 3 and 4 were reminded to submit their final findings reports. Matt suggested those committee members speak with him offline to discuss completion dates. Issues may have to be tabled if nothing is submitted.

Alice Wilkerson reported that the survey will be mailed out next week.

The group approved the meeting minutes from June 23.

Matt adjourned the meeting at 7:30pm.

Upcoming Work Group Meetings:

Tuesday, July 21, 6:30pm, County Executive's conference room